

DRAINAGE EASEMENT INFORMATION FOR THE SCHULTZ FLOOD EWP PROJECT

FREQUENTLY ASKED QUESTIONS (FAQ's)

What is a Drainage Easement?

- An easement is the right of one entity to use a part of another's property for a specific purpose
- A drainage easement will allow the County to access and use a specific portion of your property to construct and maintain flood mitigation and stormwater drainage structures
- You retain ownership of the land

How Might Your Property Be Affected?

- Exact size and location of easements will be determined during final engineering
- Will likely not affect the zoning of your property
- Will not allow for public access to your property
- Will temporarily limit how you are able to use that specific portion of your property until vegetation recovers
- Preliminary designs have focused on reducing impacts to individual properties to the greatest extent possible

Will You Be Compensated?

- Funding is unavailable for purchase of drainage easements
- Therefore the County is requesting donations
- However:
- You may be entitled to a temporary reduction in your primary property taxes
- You may be entitled to state and federal income tax benefits
- Please consult a tax professional for more information

DRAINAGE EASEMENT PROCEDURE AND OWNER RIGHTS UNDER THE UNIFORM ACT (49CFR24)

Step 1 - Notice of Intent

Property owners will be notified by Certified US Mail that the County wishes to secure an easement from them. Information in the Notice of Intent will include:

- The scope of the project
- A notice of impending appraisal (if applicable)
- The right to accompany the appraiser (if applicable)
- The rights of property owners when federal funds are being used (Uniform Act)
- A request to meet with the owners (if possible) at a time and place convenient to them
- County personnel contact information

Step 2 - Present the Offer Package

Property owners will be contacted, and when possible an in-person presentation will be made requesting the easement for the project. Information in the Offer Package will include:

- The value of the easement
- A summary statement that includes the basis for the valuation and provides information for the owner to make a reasonable judgment concerning the value of the easement
- The description and location of the property and the easement requested
- An explanation for the request to donate the easement rather than to purchase the property
- A donation document stating your intent to waive compensation for the easement
- A market analysis worksheet used to calculate the value of the easement; to be used as supporting documentation when filing your Federal and State tax returns (you may be eligible to claim a tax deduction for up to 100% of the easement value)
- Provide the owner sufficient time to consider the request (typically 30 days).

Uniform Act and the Code of Federal Regulations Title 49, Part 24 (49CFR24):

You can learn more about the Uniform Act and the Code of Federal Regulations at <http://www.fhwa.dot.gov/realestate/>

A Publication titled, “Acquiring Real Property for Federal and Federal-aid Programs and Projects” is available at <http://www.fhwa.dot.gov/realestate/realprop/index.html>

Or simply contact Steve Salazar at the Coconino County Public Works Department, Right of Way Office at 928-679-8340 or via email to: ssalazar@coconino.az.gov.

POSSIBLE BENEFITS OF DONATING AN EASEMENT

Primary Property Tax

When you donate land rights (easement), Coconino County will remove that area of the acquired land rights from consideration when being assessed for primary property tax purposes. The timelines and processes for doing this are still being developed however so we are unable to provide more detailed information at this time. If you have any questions please contact the Schultz Flood Hotline at (928) 679-8390.

Potential State and Federal Tax Benefits

Under Federal Law, all projects funded by the federal government (as is the case with Schultz Flood mitigation) that involved securing easements entitle the property owners to fair market compensation for the land rights acquired. The owner also has the right to waive compensation and donate the land rights required. If you donate the land rights required and use the value of the easement as a tax deduction, then you may receive up to 100% of the easement value toward your Federal and State tax returns. Please contact your tax advisor to determine how these tax deductions may benefit you.

Additional information is available at <http://www.irs.gov/pub/irs-pdf/p526.pdf>

We look forward to completing a project that is truly a joint effort between the citizens of the Schultz Flood area and Coconino County